

COBB-VANTRESS, INC. GP HEN CONTRACT

DATE: Beginning: December 1	, 20 <u>02</u>	Houses: 2
Ending: September 30	, 20 <u>03</u>	Total Sq. Ft.: 40,000
BETWEEN: COMPANY: COBB-VANTRESS in Siloam Springs, Arkansas (the "Company")	S INCORPOR	ATED, a Delaware Corporation located
PRODUCER: Bill Anderson		Farm 41
ADDRESS: Rt. 5, Box 206	Colcord, OK	74338
Analia I I a		

As stated above, the terms and conditions of this contract will begin on <u>December 1, 2002</u> and shall remain in effect for one (1) year or until <u>September 30, 2003</u> unless terminated pursuant to this Contract. Should this period end while the Producer is housing hens, the term of this Contract shall extend until the flock is picked up by the Company.

COBB-VANTRESS INCORPORATED AGREES

- 1. To pay a total of \$3.42 cents per square foot; consisting of \$2.72/ ft. base pay and \$.70/ ft. equipment updates per year, divided into twelve (12) equal payments, payable in advance the first of each month.
 - a. A bonus will be paid in accordance with "Schedule A" for Lines 12, 58, and 35.
- 2. To pay these monthly payments whether buildings are occupied or not, providing the buildings are clean and in ready condition.
- 3. To furnish spray material, spray equipment and labor to sanitize buildings.
- 4. To furnish all bedding material at the beginning of a flock.
- 5. To outline programs to be followed in the care of poultry on the premises.
- 6. To furnish all poultry, feed, medication, vaccines, disinfectants, uniforms, and boots necessary for this flock.
- 7. To provide technical advice at no cost to the Producer. The Company's technical advisors shall visit the Producer periodically to give advice and assistance as required.
- 8. To furnish the Producer with hens and roosters. The Company bears the cost of and retains title to these birds.

I ago i	Pa	ge	1
---------	----	----	---

9. To provide the Producer with feed to nourish the birds at no cost to the Producer. The Company will retain title to any feed on Producer's farm. The Company will also bear the cost of delivering feed to the Producer's farm.

PRODUCER AGREES

- 1. To furnish all equipment, buildings, lights, gas and necessary labor to care for said poultry on premises.
- To keep such housing and equipment well maintained and fully operational. The Producer agrees that all such land, buildings (including housing), equipment and other facilities must meet all of the Company's specifications.
- 3. The Producer agrees to follow the Company's Feeding, Management and Bio-security programs for the flocks.
- 4. The Producer agrees to provide and maintain roads, bridges, and fences from the nearest county or state maintained road to and alongside the Producer's poultry facilities to ensure easy and safe passage of all Company vehicles, and to pay all tow charges incurred by Company or its agents due to improperly maintained roads. The Producer agrees to provide approved pads for the mechanical loading and unloading of equipment.
- 5. The Producer agrees not to use and not to allow to be used during the term of this contract any feed, medication, herbicides, pesticides, rodenticides, insecticides or any other item except as supplied or approved in writing by the Company
- 6. To rid the premises of any and all poultry or fowl except the Cobb birds involved in this program as outlined in the Cobb-Vantress Bio-Security Program.
- 7. The Producer agrees to be present or have a knowledgeable representative present and have buildings and equipment prepared at the preset time of (1) delivery of shavings to the farm and (2) each delivery during placement of the Company's flock. The Producer will supply sufficient help at the time of delivery of new pullets and roosters to facilitate the unloading and placement of the new birds. When the poultry is caught, the Producer or his agent shall be present and have prepared the house(s) for the catching crews in accordance with the Company's scheduling.
- 8. The Producer shall be responsible for removing all dead birds and litter and shall dispose of such in accordance with the Company's specifications and applicable laws. The Producer agrees to maintain an accurate mortality record.
- To provide plentiful water supply. Water supply must be furnished by city water or deep well. If well should go dry, arrangements must be made immediately to drill another well.

Page 2

- 10. The Producer agrees that title to and ownership of the feed, medication and sanitation products shall remain with the Company and further agrees to return to the Company all unused feed, medication, and sanitation products.
- 11. The Producer agrees that title to and ownership of all chickens are and shall remain with the Company.
- 12. The Producer agrees to help weigh a sample of the birds on a weekly basis as requested by the Company.
- 13. The Producer agrees to gather, clean, grade and pack all eggs according to the company's specifications.
- 14. The Producer agrees to keep all records on daily mortality, daily feed consumption, water consumption, and all other records necessary for the efficient and proper care of the flock as directed by the Company.
- 15. The Producer agrees to keep all uniforms, towels, boots and other items cleaned and dried at the farm for people entering the premises.
- 16. The Producer agrees to keep all equipment, including bulk feed storage, watering systems, feeding systems, feed scales, generators, ventilation system and any automated devices and controls properly adjusted and in good operating order.
- 17. The Producer agrees to keep all entrances locked in the poultry facility in attempt to keep all unauthorized persons out of each house, security compound, and all other secured areas as defined by Company.
- 18. The Producer agrees to keep grass mowed, trimmed and debris picked up and to keep a clean and neat appearance on the premises.
- 19. The Producer agrees to remove all litter and debris from the poultry houses as soon as possible after the completion of the bird cycle.

BEST EFFORTS

Producer and Company agree to use their best efforts in maintaining the breeder hen flock in such a manner to optimize performance of egg production and hatchability.

IDEPENDENT CONTRACTOR

It is understood that the Producer is an Independent Contractor and is engaged in and exercising independent employment under the terms of this contract. Producer is not a partner, agent, representative or employee of the Company. Producer is responsible for his or her own activities and safety while operating under the terms of the contract, as well as for the activities and safety of his or her agents, employees, and other representatives and any visitor invited by Producer.

RIGHT OF ACCESS

The Producer agrees that the Company, its representatives, and agents shall have the right of access, including without limitation, the chicken houses, at all times for the purposes of inspecting birds or facilities; delivering feed, chickens, or supplies; consulting with reference to the management of the flocks; and taking possession of or removing the birds.

EVENTS OF DEFAULT

Each of the following events or occurrences shall constitute an event of default by the Producer under the agreement:

- 1. Failure of Producer to adhere to Cobb-Vantress' programs for Farm Management and Bio-security, including satisfactory performance.
- Failure of the Producer to comply fully and timely with all of the Producer's agreements or obligations under this contract whether by the Producer's death, accident, illness or otherwise.
- 3. The occurrence of any default under any financing agreement related to Producer's chicken houses, other facilities or equipment used or useful in raising or keeping the breeder flock.
- 4. Any actual or attempted levy, seize or attachment of any of the Company's property (including without limitation chickens, medications, feed, sanitation products or equipment) or of any of the Producer's property used or useful in raising or keeping the flocks.
- 5. The Producer's removal or attempt to remove, in any manner or for any reason, said birds, feed, medication, equipment or sanitation products from the Producer's farm without Company's written consent, which may be withheld in the Company's sole discretion.
- 6. The Producer's encumbering, selling, assigning or attempt to encumber, sell or assign birds, feed, medication, equipment or sanitation products without the Company's written consent, which may be withheld in the Company's sole discretion.

REMEDIES OF PRODUCER ON DEFAULT OF COMPANY

If COBB-VANTRESS INCORPORATED shall fail or refuse to pay rent as prescribed, except as authorized below in the "REMEDIES OF COMPANY ON DEFAULT OF PRODUCER" or fail to perform any of the agreed covenants or become insolvent or bankrupt or make an assignment for the benefit of creditors, the Producer has the right at their option to declare this agreement terminated.

PRODUCER'S RIGHT TO TERMINATE

The Producer shall have the right to terminate this Contract with no less than sixty (60) days notice prior to scheduled flock removal from the Producer's farm. This notice shall be given to the Complex Manager in writing.

REMEDIES OF COMPANY ON DEFAULT OF PRODUCER

Upon occurrence of an event of default under this contract, the Company, in its sole discretion, may immediately terminate this contract by giving notice in writing thereof, and the Company may (without further notice, delay or legal process) take immediate possession of poultry feed, medication, sanitation products, equipment, and all other property owned by the Company. Alternatively, the Company shall have the right to utilize the Producer's poultry facilities until the flock reaches maturity as determined by the Company during such operations. Alternatively, failure to adhere to the Cobb-Vantress Bio-Security Program, including such failure by unsatisfactory performance, the Company may, in its sole discretion, either suspend its obligations under the Contract to pay rent as prescribed or to terminate the contract. The Company may also pursue any other remedies at law or equity. No waiver by the Company of any default shall operate as a waiver of any other subsequent default and the rights and remedies reserved to the Company shall be deemed cumulative and not exclusive of any other right provided by law or equity.

REIMBURSEMENT OF COMPANY

At its option, the Company may discharge taxes, liens, or other encumbrances at any time levied or placed on the poultry or growing operation, and pay such other charges as may be incurred by Producer in maintaining and preserving the poultry. Producer agrees to reimburse Company for any payment made or any expense incurred by Company pursuant to this authorization. Producer further agrees that Company may provide for its reimbursement by deduction and set-off from amounts due to Producer.

NUMBER OF HENS AND ROOSTERS

The Company reserves the right to determine the number and frequency of birds to be placed in the Producer's houses.

SALE OF PRODUCER'S FARM

If the Producer's farm is sold while a flock is in the Producer's houses, consent to assignment of this Contract must be obtained from the Company and any payments to be made at the end of the flock will be paid to the new owner/assignee.

ASSIGNMENT/TRANSFER

Producer agrees that this agreement is not transferable and or/assignable without the prior written consent of Company. The written consent of the Company must be obtained prior to the sale, assignment or other transfer of any beneficial or record interest in all or any part of the Producer's farm, whether by operation of law or otherwise, while a flock is in the Producer's houses. Assignment of any beneficial or record interest in the Producer's farm by the Producer without the Company's written consent shall be immediate event of default hereunder. The Company may assign this Contract at any time.

MODIFICATIONS

Producer understands and agrees that no agent or employee of the Company has authority to make any oral modification of the contract. Modification of this contract may only be accomplished by written instrument executed by the Producer and an authorized representative of the Company. This contract supersedes all prior agreements (oral or written) between the parties hereto.

PRODUCER:

COBB-VANTRESS NCORPORATED

DATE: 1-30-03

DATE: /- 29-007

Page 6